

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

FIELDWOOD ENERGY LLC, *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 20-33948 (MI)
)
) (Jointly Administered)
)

**ORDER GRANTING ATLANTIC MARITIME SERVICES LLC’S
MOTION FOR LIMITED RELIEF FROM AUTOMATIC STAY
AND STAY EXTENSION ORDER SOLELY FOR THE PURPOSE OF
INSTITUTING ACTIONS AND FILING NOTICES OF LIS PENDENS
TO PRESERVE ATLANTIC’S LIENS ON NON-DEBTOR PROPERTY**

[Ref. Dkt. No. 1380, Adv. No. 20-3476, Doc. 55]

Considering Atlantic Maritime Services LLC’s *Motion for Limited Relief from Automatic Stay and Stay Extension Order Solely for the Purpose of Instituting Actions and Filing Notices of Lis Pendens to Preserve Atlantic’s Liens on Non-Debtor Property* (**Dkt No. 1380**) (the “***Motion***”), and finding good cause exists for the relief requested as modified herein, the Court finds as follows:

A. WHEREAS, pre-petition, the above-captioned Debtors (“***Fieldwood***”) hired Atlantic Maritime Services LLC (“***Atlantic***”) to drill, recomplete, sidetrack or work over certain wells (the “***Services***”) and Atlantic performed the Services on five leases located on the Outer Continental Shelf of the Gulf of Mexico (collectively, the “***Leases***”): OCS-G-28030 in Mississippi Canyon Area Block 948 (“***MC-948***”); OCS-G-34536 in Green Canyon Area Block 40 (“***GC-40***”);

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Dynamic Offshore Resources NS, LLC (0158); Fieldwood Energy LLC (6778); Fieldwood Energy Inc. (4991); Fieldwood Energy Offshore LLC (4494); Fieldwood Onshore LLC (3489); Fieldwood SD Offshore LLC (8786); Fieldwood Offshore LLC (2930); FW GOM Pipeline, Inc. (8440); GOM Shelf LLC (8107); Bandon Oil and Gas GP, LLC (9172); Bandon Oil and Gas, LP (9266); Fieldwood Energy SP LLC (1971); Galveston Bay Pipeline LLC (5703); and Galveston Bay Processing LLC (0422). The Debtors’ primary mailing address is 2000 W. Sam Houston Parkway S., Suite 1200, Houston, TX 77042.

OCS-G-15445 in Viosca Knoll Area Block 926 (“**VK-926**”); OCS-G-27278 in Mississippi Canyon Area Block 519 (“**MC-519**”); and OCS-G-06888 in Viosca Knoll Area Block 826 (“**VK-826**”);

B. WHEREAS, Fieldwood holds a fractional working interest in each of the Leases and: (i) Ecopetrol America, LLC (“**Ecopetrol**”) and Talos Energy Offshore LLC (“**Talos**”) own fractional working interests in OCS-G-28030, located in MC-948; and (ii) Houston Energy Deepwater Ventures I (“**Houston Energy**”)² and Red Willow Offshore, LLC (“**Red Willow**”) own fractional working interests in OCS-G-27278, located in MC-519;

C. WHEREAS, Atlantic, pursuant to the Louisiana Oil Well Lien Act (“**LOWLA**”) commenced an action against Ecopetrol captioned *Atlantic Maritime Services, LLC v. Ecopetrol*, No. 2:20-cv-03097 (E.D. La.), and an action against Ridgewood Katmai, LLC (“**Ridgewood**”) and ILX Prospect Katmai, LLC (“**Prospect**”) captioned *Atlantic Maritime Services, LLC v. Ridgewood Katmai, LLC and ILX Prospect Katmai, LLC*, No. 2:20-cv-03099 (collectively, the “**Louisiana Non-Debtor Lawsuits**”);

It is hereby **ORDERED** that:

1. The automatic stay and the Court’s *Third Stipulation and Order Extending the Automatic Stay to Certain of Debtors’ Co-Working Interest Owners* (Adv. No. 20-03476, ECF No. 55) (“**Stay Extension Order**”), pursuant to 11 U.S.C. § 362(d)(1), is modified as set forth herein solely to the extent necessary to permit Atlantic to take those steps set forth in La. R.S. § 9:4865 to maintain effectiveness Atlantic’s LOWLA liens (as to third parties) in the property specified in La. R.S. § 9:4863 and arising from the Services Atlantic provided on the Leases.

² As acknowledged in Atlantic’s reply in support of its motion to modify the automatic stay (Reply at 4, n.4, ECF 1638), Atlantic mistakenly names Houston Energy Deepwater Ventures *V*, LLC as the Non-Defendant WIO holding an interest in Lease OCS-G-27278 in MC-519 in the Motion. The WIO holding an interest in Lease OCS-G-27278 in MC-519 is actually an associated entity, Houston Energy Deepwater Ventures I, LLC.

2. Accordingly, the automatic stay and the Stay Extension Order are modified to allow Atlantic, on or after July 10, 2021, to (a) file a lawsuit against Houston Energy and Red Willow to preserve its LOWLA rights against these parties' interests in OCS-G-27278 (in MC-519), (b) amend Atlantic's complaint in the Louisiana Non-Debtor Lawsuit against Ecopetrol to name Talos as an additional defendant to preserve its rights in OCS-G-28030 (in MC-948), (c) file notices of *lis pendens* noticing Atlantic's lawsuit enforcing its privilege against the Houston Energy and Red Willow's interests in OCS-G-27278 (in MC-519), and (d) amend its *lis pendens* (or file new *lis pendens*, as may be appropriate) noticing that Talos has been added as an additional defendant in the Louisiana Non-Debtor Lawsuit against Ecopetrol.

3. The automatic stay and Stay Extension Order are further modified to allow Atlantic to take whatever ancillary procedural or ministerial steps may be required to give this Order effect and for Atlantic to comply with La. R.S. § 9:4865. Atlantic may, for example and only to the extent required by applicable law, file a motion for leave to amend its complaint in the Louisiana Non-Debtor Lawsuit to add Talos as an additional defendant.

4. Except as is necessary to preserve effectiveness of Atlantic's liens as to third parties, prosecution of the Louisiana Non-Debtor Lawsuits and the contemplated action against Houston Energy and Red Willow shall be stayed through and including the effective date of the Debtors' Plan pursuant to the Stay Extension Order, as modified herein.

5. This Order is without prejudice to Atlantic's right to request further amendments to the automatic stay or the Stay Extension Order, including, but not limited to, a request to lift the Stay Extension Order or automatic stay to prosecute the above-described lawsuits or file lawsuits against other working interest owners, for good cause.

SIGNED:

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

**AGREED AND APPROVED AS TO FORM AND
SUBSTANCE:**

/s/ Matthew D. Cavanaugh

JACKSON WALKER LLP

Matthew D. Cavanaugh (TX Bar No. 24062656)
Kristhy M. Peguero (TX Bar No. 24102776)
Genevieve M. Graham (TX Bar No. 24085340)
Cameron A. Secord (TX Bar No. 24093659)
1401 McKinney Street, Suite 1900
Houston, Texas 77010
Telephone: (713) 752-4200
Facsimile: (713) 752-4221
Email: mcavanaugh@jw.com
Email: kpeguero@jw.com
Email: ggraham@jw.com
Email: csecord@jw.com

*Attorneys for Valaris plc and
Atlantic Maritime Services LLC*

KIRKLAND & ELLIS LLP

KIRKLAND & ELLIS INTERNATIONAL LLP

Anup Sathy, P.C. (admitted *pro hac vice*)
Ross M. Kwasteniet, P.C. (admitted *pro hac vice*)
Spencer A. Winters (admitted *pro hac vice*)
Jeffrey J. Zeiger, P.C. (admitted *pro hac vice*)
Gavin C.P. Campbell (admitted *pro hac vice*)
300 North LaSalle Street
Chicago, IL 60654
Telephone: (312) 862-2000
Facsimile: (312) 862-2200
Email: asathy@kirkland.com
Email: rkwasteniet@kirkland.com
Email: spencer.winters@kirkland.com
Email: jeffrey.zeiger@kirkland.com
Email: gavin.campbell@kirkland.com

*Attorneys for Valaris plc and
Atlantic Maritime Services LLC
-- and --*

LUGENBUHL, WHEATON, PECK, RANKIN

Stewart F. Peck (admitted *pro hac vice*)
601 Poydras Street, Suite 2775
New Orleans, LA 70130
Telephone: (504) 568-1990
Facsimile: (504) 310-9195
Email: speck@lawla.com

Attorneys for Atlantic Maritime Services LLC

/s/

WEIL, GOTSHAL & MANGES LLP

Alfredo R. Perez (TX Bar No. 15776275)
Clifford W. Carlson (TX Bar No. 24090024)
700 Louisiana Street, Suite 1700
Houston, TX 77002
Telephone: (713) 546-5000
Facsimile: (713) 224-9511
Email: Alfredo.Perez@weil.com
Email: Clifford.Carlson@weil.com

Matthew S. Barr (admitted *pro hac vice*)
Jessica Liou (admitted *pro hac vice*)
767 Fifth Avenue
New York, NY 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Email: Matt.Barr@weil.com
Email: Jessica.Liou@weil.com

and

Paul R. Genender (TX Bar No. 00790758)
Erin M. Choi (TX Bar No. 24079436)
200 Crescent Court, Suite 300
Dallas, TX 75201
Telephone: (214) 746-7000
Facsimile: (214) 746-7777
Email: Paul.Genender@weil.com
Email: Erin.Choi@weil.com

Attorneys for the Debtors and Debtors in Possession